



Persons Importing Out-of-State Beverage Container Materials – Workshop #3

January 30, 2013



AGENDA

- Background:
 - Statutory Provisions
 - AB 1933 – Changes to PRC 14596
- Review/Discuss Assumptions for OOS Beverage Container Material Importation Reporting Process
- Review/Discuss Reporting Requirement Self-Assessment Document
- Review/Discuss Proposed Reporting Data Elements
- Open Comment / Feedback
- Review Next Steps



PRC - DIVISION 12.1, CHAPTER 8.5

- **Public Resources Code 14595(a)(2) - No person shall, with intent to defraud, do any of the following:**
 - (A) Redeem or attempt to redeem an out-of-state container, rejected container, line breakage, previously redeemed container, or other ineligible material.
 - (C) Bring an out-of-state container, rejected container, line breakage, or other ineligible material to the marketplace for redemption.
 - (D) Receive, store, transport, distribute, or otherwise facilitate or aid in the redemption of a previously redeemed container, out-of-state container, rejected container, line breakage or other ineligible material.



AB 1933 - LEGISLATIVE CHANGES

➤ PRC Section 14596 (a)

- Any person importing more than **25 pounds** of aluminum, bimetal, or plastic beverage container material, or more than **250 pounds** of glass beverage container material, into the state, shall report the material to the department and provide the department with all the following:



AB 1933 - LEGISLATIVE CHANGES

➤ PRC Section 14596 (a)

- Documentation on the source of the material.
- Documentation on the destination of the material.
- Any other information deemed necessary by the department as it relates to the importation of empty beverage container material
- An opportunity for inspection, in accordance with the regulations adopted by the department



AB 1933 - LEGISLATIVE CHANGES

➤ PRC Section 14596 (b)(1)(A)

- In addition to inspections required by the regulations adopted by the department pursuant to subdivision (a), a vehicle entering the state that contains more than 25 pounds of empty beverage container material shall pass through the nearest plant quarantine inspection station maintained pursuant to Section 5341 of the Food and Agricultural Code, and shall obtain proof of inspection from the department.



PROJECT TEAM

- Management & staff from CalRecycle, CDFA and DOJ comprise the working team that is developing the draft reporting and inspection regulations to implement PRC 14596 (a) & (b)
- CalRecycle developing FSR for potential IT project to formalize data collection and transfer between CDFA, CalRecycle and state and local law enforcement agencies
- Project team meeting on a weekly basis



REPORTING PROCESS

➤ Working Assumptions:

- All applicable vehicles must pass through an open and operating CDFA Quarantine Inspection Station
- Report forms will be required to be completed & inspections of vehicles will be performed prior to entry into CA
- OOS beverage container material importers will have the opportunity/availability to complete a report form prior to entering the state of California



REPORTING PROCESS

➤ Working Assumptions:

- Vehicles transporting over statutory thresholds for OOS beverage container material will be restricted from entering CA if they refuse to allow inspection of vehicle
- CDFA will inform CalRecycle, state and/or local law enforcement of drivers that refuse to allow inspection and for failure to complete a report form



REPORTING PROCESS

➤ Working Assumptions:

- Bypassing a CDFA border station to avoid reporting and inspection requirements can result in administrative penalties. Misdemeanor for multiple violations within specified time period



REPORTING PROCESS

➤ Working Assumptions:

- Aluminum beverage container materials imported into California are considered as scrap metal covered by Business and Professions Code 26100 as a nonferrous metal. As such, these containers are not covered by the Act and regulations as they pertain to the reporting and payment of CRV beverage containers
- State and local law enforcement enforce Business & Professions Codes as they pertain to the transport and sale of nonferrous aluminum materials



REPORTING PROCESS

➤ Working Assumptions:

- Separate report forms will be required for each beverage container material type being imported
- Completed & authorized report forms will be required to remain with the OOS beverage container material until delivered to designated/reported destination

A background image showing a collection of discarded beverage containers, including a blue aluminum can with a pull tab, a clear plastic bottle, and a green glass bottle, all lying on a light-colored surface.

REPORTING PROCESS

➤ Working Assumptions:

- The report form will contain boiler plate legal language / affidavit and will need be signed by the owner of the materials or the driver importing OOS beverage container materials



REPORTING PROCESS

➤ Working Assumptions:

- Data captured on the report form will be routinely provided to State and/or local law enforcement as support for the investigations and prosecutions of individuals and/or entities illegally redeeming OOS beverage container materials for CRV



REPORTING PROCESS

➤ Reporting Requirement Self-Assessment Document:

- The self-assessment provides a means for determining the legal responsibilities the beverage container material importer has to the state of California
- Provides the opportunity to limit reporting impacts on legitimate commercial importation of beverage container materials.



REPORTING PROCESS

➤ Reporting Requirement Self-Assessment Document:

- Assists in characterizing importation of OOS beverage container materials based upon legal responsibilities of the owner and driver of the imported materials
- Provides the opportunity to make clear that only post-consumer beverage container material is within scope of the reporting requirements



REPORTING PROCESS

- **Reporting Requirement Self-Assessment Document:**
 - Provides opportunity to state legal admonitions associated with the Act, Business and Professions Code, and Penal Code.

A background image showing various beverage containers: a blue aluminum can with a pull tab, a clear plastic bottle, and a green glass bottle, all slightly out of focus. A semi-transparent blue banner is overlaid across the middle of the image.

REPORTING

➤ **Primary components of the OOS beverage container material importation reporting process:**

1. Material
2. Source
3. Ownership
4. Transportation
 - a) Vehicle
 - b) Driver / Operator
5. Destination



REPORTING

➤ Review of Proposed Reporting Data Elements by Category:

1. Material
2. Source
3. Ownership
4. Transportation
 - a) Vehicle
 - b) Driver / Operator
5. Destination



OPEN COMMENT AND FEEDBACK



NEXT STEPS

- Weekly Project Team Meetings will continue:
 - Develop Draft Reporting Regulations Language
 - Develop Proposed Inspection Process Requirements
- Next Workshop – February 2013

Model of Out Of State Importation of Empty Beverage Containers (PRC 14956(a) and AB 1933)

Phase

